

Message Text

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71

ACTION EB-11

INFO OCT-01 ARA-16 ISO-00 CAB-09 CIAE-00 COME-00 DODE-00

INR-10 NSAE-00 RSC-01 FAA-00 L-03 SS-15 NSC-10 DRC-01

/077 W

----- 035800

R 071740Z SEP 73

FM AMEMBASSY SAN JOSE

TO SECSTATE WASHDC 5035

INFO AMEMBASSY GUATEMALA

AMEMBASSY MANAGUA

AMEMBASSY PANAMA

AMEMBASSY SAN SALVADOR

AMEMBASSY TEGUCIGALPA

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E.O. 11652: N/A

TAGS: ETRN, XK, CS

SUBJECT: CIVIL AVIATION: LIQUIDATION OF U.S. OWNED AIR CARGO CO.

1. SUMMARY: U.S. MAJORITY OWNED, COSTA RICAN
BASED, AIR CARGO COMPANY, TRANSPORTES AEREOS DE
INTEGRACION, EXMA. (TAISA), HAS SUSPENDED OPERATIONS.
AMONG CUSTOMERS ADVERSELY AFFECTED BY SUSPENSION ARE
EXPORTERS OF COTTON CLOTHING MADE UNDER DRAWBACK
ARRANGEMENTS WITH U.S. FIRMS. EMBASSY ADVISED BY
REPRESENTATIVE OF PRINCIPAL STOCKHOLDER OF U.S. OWNER'S
DECISION DISSOLVING TAISA BECAUSE OF SIZABLE LOSSES
ATTRIBUTED TO FAULTY, AND PERHAPS EVEN ILLEGAL, PRACTICES
ON PART OF TAISA'S U.S. CITIZEN VICE PRESIDENT
BERIOT DELLALE. (DELLALE IS THE BROTHER OF WASHINGTON
LOBBYIST AND NEW YORK BASED COSTA RICAN BOARD OF
TRADE DIRECTOR, DINA DELLALE.) POTENTIAL FOR
ADVERSE GOCR REACTION TO DISSOLUTION EXISTS
BECAUSE OF DELLALE'S POLITICAL INFLUENCE AND
BECAUSE OF TAISA LIABILITIES TO COSTA RICAN FIRM

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COOPESA WHOSE DIRECTOR IS RODOLFO SOLANO, THE

GOCR REPRESENTATIVE TO THE HIGH LEVEL COMMISSION
FOR THE RESTRUCTURING OF THE CENTRAL AMERICAN
COMMON MARKET. END SUMMARY.

2. ACTION REQUESTED: PLEASE PROVIDE
EMBASSY SOONEST WITH ANY AVAILABLE INFORMATION - SIZE,
GENERAL REPUTATION, ETC. -- ON CAPPAERT ENTERPRISES
OF VICKSBURG, MISSISSIPPI.

3. ON AUGUST 30, THE EMBASSY FIRST BECAME AWARE
THAT TRANSPORTES AEREOS DE INTEGRACION, S.A. (TAISA)
HAD SUSPENDED OPERATIONS WHEN MILDRED CASE JOHNSON,
REPRESENTING CAPPAERT ENTERPRISES OF VICKSBURG,
MISSISSIPPI, AND CAPPAERT LAWYER, LEONARD MERANUS OF
CINCINNATI, OHIO, CALLED ON DCM TO APPRAISE EMBASSY
OF PROBLEM CAPPAERT EXPERIENCING IN DISSOLVING TAISA.
TAISA, IN WHICH CAPPAERT HOLDS MAJORITY OWNERSHIP,
HAS BEEN ENGAGED IN CARRYING GENERAL FREIGHT BETWEEN
COSTA RICA AND OTHER CENTRAL AMERICAN COUNTRIES AND
MIAMI WITH OCCASIONAL STOPS IN PANAMA AND THE CARIBBEAN.
AMONG THE GENERAL CARGO CARRIED WAS COTTON CLOTHING MANUFACTURED
IN COSTA RICA UNDER DRAWBACK ARRANGEMENTS WITH U.S. FIRMS.

4. ACCORDING TO MRS. JOHNSON, CAPPAERT ENTERPRISES
RECENTLY BECAME AWARE THAT TAISA WAS ENCOUNTERING
FINANCIAL PROBLEMS. UPON INVESTIGATION IT WAS DISCOVERED
THAT TAISA HAS INCURRED LOSSES ESTIMATED AS HIGH AS \$1 MILLION.
TAISA'S PROBLEMS, ACCORDING TO MRS. JOHNSON, APPEAR TO BE
DUE LARGELY TO MISMANAGEMENT AND IMPROPER, PERHAPS
ILLEGAL, ACTIVITIES ON THE PART OF ITS COSTA RICAN VICE
PRESIDENT--BUT ALSO US. CITIZEN--BERIOT DELLALE.

5. CALLERS STATED THAT THEY CAME TO COSTA RICA WITH
INTENTION OF DISSOLVING TAISA IN AN AMICABLE FASHION. TO DO
THIS THEY WERE PREPARED TO PAY OFF ALL OUTSTANDING DEBTS.
SINCE TAISA'S DEBT IS REPORTEDLY 50 PERCENT IN EXCESS
OF ITS CAPITAL, CAPPAERT COULD FILE FOR BANKRUPTCY.
TAISA'S ASSETS CONSIST OF A C-46 VALUED AT \$30,000 AND
NEGOTIABLE LANDING RIGHTS AND OTHER CONCESSIONS. ALSO
BELONGING TO TAISA OWNERS, BUT NOT SPECIFICALLY TO TAISA
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ARE TWO DC-6'S. LAIBILITIES ORIGINALLY ESTIMATED AT
BETWEEN \$150 THOUSAND AND \$200 THOUSAND MAY REACH THE
\$400 THOUSAND MARK AS CLAIMANTS--JUST AND OTHERWISE--
RUSH IN FOR A PIECE OF THE PIE. A LOCAL CAPPAERT REP-
RESENTATIVE TOLD AN EMBASSY OFFICER ON SEPT. 5 THAT OFFERS
HAVE BEEN MADE TO PURCHASE A DC-6 AND ONE OFFER HAS BEEN MADE TO
BUY OUT TAISA THUS OPENING UP THE POSSIBILITY OF RESUMING
OPERATIONS.

6. CAPPAERT INTEREST IN AMICABLE SETTLEMENT AS OPPOSED TO BANKRUPTCY FILING IS BASED ON FEARS THAT BANKRUPTCY PROCEEDINGS MIGHT ADVERSELY AFFECT OTHER CAPPAERT HOLDINGS IN COSTA RICA. OF PRIMARY CONCERN IS A HALF MILLION DOLLAR INVESTMENT IN A GOLD MINE ON THE OSA PENINSULA.

7. PROBLEM ARISES IN THAT AMONG DEBTS IS ONE ESTIMATED AT ABOUT \$40,000 OWED TO THE COSTA RICAN FIRM COOPESA. CAPPAERT THROUGH ITS COSTA RICAN LEGAL REPRESENTATIVE, CARLOS GUTIERREZ, OF WELL-KNOWN FIRM OF FACIO, FOURNIER, AND CANAS, HAS DISCUSSED DEBT WITH COOPESA DIRECTOR RODOLFO SOLANDO AND HIS DEPUTY MARIO FACIO. ACCORDING TO JOHNSON AND MERANUS, COOPESA OFFICIALS HAVE VACILLATED IN WILLINGNESS TO COOPERATE. APPEARENTLY, COOPEKA MISTRUSTS CAPPAERT AND, AS RESULT, HAS PLACED LIEN ON TAISA'S C-46 ANOLTHE TWO DC-6S. ONE OF THESE DC-6S WAS LOADED WITH CARGO FOR MIAMI SAID TO CONSIST OF COTTON CLOTHING PRODUCED IN COSTA RICA UNDER DRAW BACK ARRANGEMENTS WITH U.S. FIRMS. ACCORDING TO A SEPTEMBER 5 PRESS ACCOUNT 28,000 POUNDS OF CLOTHING ARE INVOLVED.

8. COMMENT: TAISA'S DEMISE EVEN IF TEMPORARY WILL CAUOTLSOME DISLOCATIONS FOR EXPORTERS. OF GREATER CONCERN, HOWEVER, IS THE FACT THAT SITUATION COULD QUICKLY DETERIORATE INTO RATHER NASTY SCENE INVOLVING POLITICAL OVERTONES. JOHNSON SAID WHILE SHE IS WILLINGTO COOPERATE IN ORDERLY LIQUIDATION AND PAY ALL DEBTS, IF HOSTILE RECEPTION CONTINUES, CAPPEART MAY DECIDE TO FILE BANKRUPTCY PROCEEDINGS FOR TAISA THEREBY ATTEMPTING TO LIMIT LOSSES TO TAISA ASSETS. MRS. JOHNSON'S ATTITUDE MAY BE INFLUENCED BY FACT THAT COURT ORDER ISSUED BY LABOR COURT LIMITED OFFICIAL USE

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OF ALAJUELA PREVENTED HER FROM LEAVING COUNTRY ON NIGHT OF AUGUST 30 AS PLANNED. SHE WAS ALLOWED TO LEAVE AFTER A BOND HAD BEEN POSTED TO COVER SEVERANCE PAY FOR ALL TAISA EMPLOYEES. ON OTHER HAND, CAPPAERT ENTERPRISES' FUTURE ACTIONS WITH RELATION TO TAISA SHOULD BE STRONGLY INFLUENCED DC EXTENT TO WHICH OTHER INVESTMENTS IN COSTA RICA COULD BE ADVERSELY AFFECTED. ACCUSATIONS AGAINST TAISA MANAGER DELLALE, IF PURSUED, COULD CAUSE TROUBLE AS HE HAS CONSIDERABLE INFLUENCE IN GOCR. (DELLALE IS BROTHER OF DINA DELLALE, EXECUTIVE DIRECTOR, NEW YORK BASED COSTA RICAN BOARD OF TRADE AND WASHINGTON LOBBYIST KNOWN TO DEPARTMENT.) ALSO, COOPESA DIRECTOR SOLANO HOLDS PROMINENT POSITION AS GOCR REPRESENTATIVE ON HIGH-LEVEL COMMISSION

TO RESTRUCTURE THE CENTRAL AMERICAN COMMON MARKET.
VAKY

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